

PATENT COOPERATION TREATY

PCT

INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY
(Chapter II of the Patent Cooperation Treaty)

REC'D 14 JUL 2006

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PCT

(PCT Article 36 and Rule 70)

Applicant's or agent's file reference 206,733-PCT		FOR FURTHER ACTION See Form PCT/IPEA/416	
International application No. PCT/US05/06643		International filing date (day/month/year) 28 February 2005 (28.02.2005)	Priority date (day/month/year) 26 February 2004 (26.02.2004)
International Patent Classification (IPC) or national classification and IPC IPC: G01V 1/28(2006.01),1/34(2006.01),1/36(2006.01) USPC: 367/25,36,37,38,43,50,51,52,68,72			
Applicant SAUDI ARABIAN OIL COMPANY			
<p>1. This report is the international preliminary examination report, established by this International Preliminary Examining Authority under Article 35 and transmitted to the applicant according to Article 36.</p> <p>2. This REPORT consists of a total of <u>1</u> sheets, including this cover sheet.</p> <p>3. This report is also accompanied by ANNEXES, comprising:</p> <p>a. <input type="checkbox"/> (sent to the applicant and to the International Bureau) a total of <u>1</u> sheets, as follows:</p> <p><input type="checkbox"/> sheets of the description, claims and/or drawings which have been amended and are the basis of this report and/or sheets containing rectifications authorized by this Authority (see Rule 70.16 and Section 607 of the Administrative Instructions).</p> <p><input type="checkbox"/> sheets which supersede earlier sheets, but which this Authority considers contain an amendment that goes beyond the disclosure in the international application as filed, as indicated in item 4 of Box No. I and the Supplemental Box.</p> <p>b. <input type="checkbox"/> (sent to the International Bureau only) a total of (indicate type and number of electronic carrier(s)) <u>1</u>, containing a sequence listing and/or tables related thereto, in electronic form only, as indicated in the Supplemental Box Relating to Sequence Listing (see Section 802 of the Administrative Instructions).</p> <p>4. This report contains indications relating to the following items:</p> <p><input checked="" type="checkbox"/> Box No. I Basis of the report</p> <p><input type="checkbox"/> Box No. II Priority</p> <p><input type="checkbox"/> Box No. III Non-establishment of opinion with regard to novelty, inventive step and industrial applicability</p> <p><input type="checkbox"/> Box No. IV Lack of unity of invention</p> <p><input checked="" type="checkbox"/> Box No. V Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement</p> <p><input type="checkbox"/> Box No. VI Certain documents cited</p> <p><input checked="" type="checkbox"/> Box No. VII Certain defects in the international application</p> <p><input type="checkbox"/> Box No. VIII Certain observations on the international application</p>			
Date of submission of the demand 01 November 2005 (01.11.2005)		Date of completion of this report 15 June 2006 (15.06.2006)	
Name and mailing address of the IPEA/US Mail Stop PCT, Attn: IPEA/US Commissioner for Patents P.O. Box 1450 Alexandria, Virginia 22313-1450 Facsimile No. (571) 273-3201		<p>for Authorized officer Scott Hughes <i>SBrown</i> Telephone No. 571-272-6983</p>	

Box No. I Basis of the report

1. With regard to the **language**, this report is based on:

the international application in the language in which it was filed.

a translation of the international application into _____, which is the language of a translation furnished for the purposes of:

international search (under Rules 12.3 and 23.1(b))

publication of the international application (under Rule 12.4(a))

international preliminary examination (under Rules 55.2(a) and/or 55.3(a))

2. With regard to the **elements** of the international application, this report is based on (*replacement sheets which have been furnished to the receiving Office in response to an invitation under Article 14 are referred to in this report as "originally filed" and are not annexed to this report*):

the international application as originally filed/furnished

the description:
pages 1-40 _____ as originally filed/furnished
pages* NONE received by this Authority on _____
pages* NONE received by this Authority on _____

the claims:
pages 41-47 _____ as originally filed/furnished
pages* NONE as amended (together with any statement) under Article 19
pages* NONE received by this Authority on _____
pages* NONE received by this Authority on _____

the drawings:
pages 1/31-31/31 _____ as originally filed/furnished
pages* NONE received by this Authority on _____
pages* NONE received by this Authority on _____

a sequence listing and/or any related table(s) - see Supplemental Box Relating to Sequence Listing.

3. The amendments have resulted in the cancellation of:

the description, pages _____
 the claims, Nos. _____
 the drawings, sheets/figs _____
 the sequence listing (*specify*): _____
 any table(s) related to the sequence listing (*specify*): _____

4. This report has been established as if (some of) the amendments annexed to this report and listed below had not been made, since they have been considered to go beyond the disclosure as filed, as indicated in the Supplemental Box (Rule 70.2(c)).

the description, pages _____
 the claims, Nos. _____
 the drawings, sheets/figs _____
 the sequence listing (*specify*): _____
 any table(s) related to the sequence listing (*specify*): _____

* If item 4 applies, some or all of those sheets may be marked "superseded."

INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITYInternational application No.
PCT/US05/06643**Box No. V Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement****1. Statement**

Novelty (N)	Claims <u>1-20</u>	YES
	Claims <u>NONE</u>	NO
Inventive Step (IS)	Claims <u>1-20</u>	YES
	Claims <u>NONE</u>	NO
Industrial Applicability (IA)	Claims <u>1-20</u>	YES
	Claims <u>NONE</u>	NO

2. Citations and Explanations (Rule 70.7)

Claims 1-20 meet the criteria set out in PCT Article 33(2)-(3), because the prior art does not teach or fairly suggest the steps of computing and applying statics to refraction data, binning and stacking refraction mini-volumes, generating semblance cubes for each refraction data set, comparing the seismic data with historical information, and identifying drilling hazards based on the comparison. The closest prior art dealing with using refraction data did not include the method steps discussed above in determining drilling hazards.

Claims 1-20 meet the criteria set out in PCT Article 33(4), and thus have industrial applicability because the subject matter claimed can be made or used in industry.

----- NEW CITATIONS -----

In a communication sent June 14, 2006, the applicant stated that they have received the Chapter I search report and have acknowledged the request for formal drawings which was presented in the Chapter I report. Applicant stated that they have elected to not submit formal drawings and requested that the International Preliminary Report on Patentability be issued to them. The communication is attached to this report.

INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY

International application No.

PCT/US05/06643

Box No. VII Certain defects in the international application

The following defects in the form or contents of the international application have been noted:

The drawings are objected to under PCT Rule 66.2(a)(iii) as containing the following defect(s) in the form or content thereof: The drawings are informal and include hand-written numbers and arrows which are difficult to read. The drawings are too dark to be able to tell which feature of the drawings is being referred to be each reference numeral since the arrows connecting the number to the feature can not be clearly seen.